

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chair Mark Blasdel, on April 7, 2011 at 8:00 AM, in Room 152 Capitol

#### **ROLL CALL**

##### **Members Present:**

Rep. Mark Blasdel, Chairman (R)  
Rep. Dick Barrett, Vice Chairman (D)  
Rep. Mike Miller, Vice Chairman (R)  
Rep. Steve Fitzpatrick (R)  
Rep. Kelly Flynn (R)  
Rep. Alan Hale (R)  
Rep. Brian Hoven (R)  
Rep. Austin Knudsen (R)  
Rep. Steve Lavin (R)  
Rep. Sue Malek (D)  
Rep. Jerry O'Neil (R)  
Rep. Mike Phillips (D)  
Rep. Janna Taylor (R)  
Rep. Kathleen Williams (D)

**Members Excused:** None

**Members Absent:** Rep. Edith (Edie) McClafferty (D)  
Rep. Mary McNally (D)  
Rep. Lee Randall (R)  
Rep. Wayne Stahl (R)  
Rep. Max Yates (R)

**Staff Present:** Lisa Adams, Committee Secretary  
Jeff Martin, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

##### **Committee Business Summary:**

Hearing & Date Posted: SB 94, 4/1/11; SB 411, 4/1/11; SB 429, 4/1/11

Executive Action: SB 253

**HEARING ON SB 411****Opening Statement by Sponsor:**

00:01:26 Sen. Ron Erickson (D), SD 47, opened the hearing on SB 411, Revise administration of tax interest, penalties and delinquencies.

00:01:34 Rep. Stahl arrived.

00:02:34 Rep. Stahl left.

00:02:42 Rep. Yates arrived.

00:03:03 Rep. Stahl arrived.

**Proponents' Testimony:**

00:04:40 Rep. Stahl left.

00:04:52 Dan Bucks, Director, Montana Department of Revenue (DOR)

00:05:12 Rep. McNally arrived.

00:05:18 Chairman Blasdel left.

00:08:56 Rep. Stahl arrived.

00:10:00 Gene Walborn, Business and Income Taxes Division, DOR

**EXHIBIT(tah78a01)**

00:13:40 Chairman Blasdel arrived.

00:18:28 George S. Olsen, Montana Society of Certified Public Accountants

**EXHIBIT(tah78a02)**

00:21:38 Rep. McClafferty arrived.

**Opponents' Testimony:** None**Informational Testimony:** None**Questions from Committee Members and Responses:**

00:23:57 Rep. Barrett

00:24:35 Mr. Walborn, DOR

00:26:16 Rep. Barrett

00:26:37 Mr. Walborn

00:27:07 Sen. Erickson

00:27:34 Vice Chairman Miller

00:27:57 Rep. Hoven left.

00:28:10 Mr. Walborn

00:28:53 Vice Chairman Miller

00:29:00 Mr. Walborn

00:30:18 Vice Chairman Miller

00:30:34 Mr. Walborn

**Closing by Sponsor:**

00:30:58 Sen. Erickson

00:32:14 Rep. Hoven arrived.

00:32:20 Rep. Malek left.

**HEARING ON SB 94****Opening Statement by Sponsor:**

00:32:37 Sen. Ron Erickson (D), SD 47, opened the hearing on SB 94, Revise waters edge provisions of corporation taxes.

**EXHIBIT(tah78a03)**

**Proponents' Testimony:**

00:40:21 Dan Bucks, Director, Montana Department of Revenue (DOR)

**EXHIBIT(tah78a04)**

00:40:58 Rep. Knudsen left.

00:43:49 Rep. Stahl left.

**Opponents' Testimony:**

00:45:05 Nancy Schlepp, Montana Taxpayers' Association

**EXHIBIT(tah78a05)**

00:47:13 Rep. Knudsen arrived.

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:50:07 Rep. Barrett  
00:51:34 Dir. Bucks, DOR  
00:52:19 Chairman Blasdel left.  
00:52:52 Rep. Barrett  
00:53:24 Dir. Bucks  
00:55:24 Rep. Barrett  
00:55:47 Chairman Blasdel arrived.  
00:56:03 Rep. Stahl arrived.  
00:56:29 Dir. Bucks  
00:56:33 Rep. Hale left.  
00:57:03 Rep. Lavin left.  
00:58:21 Rep. Fitzpatrick  
00:58:41 Dir. Bucks  
01:00:36 Rep. Hale arrived.  
01:02:12 Rep. Fitzpatrick  
01:02:32 Dir. Bucks  
01:02:55 Sen. Erickson  
01:03:53 Rep. Fitzpatrick left.  
01:04:00 Vice Chairman Miller  
01:04:06 Rep. McClafferty left.  
01:04:23 Dir. Bucks  
01:04:46 Rep. Hoven left.  
01:06:25 Vice Chairman Miller  
01:06:36 Dir. Bucks  
01:09:34 Vice Chairman Miller  
01:09:58 Dir. Bucks  
01:11:34 Rep. Phillips  
01:13:08 Dir. Bucks  
01:13:17 Vice Chairman Miller left.

01:13:29 Rep. Phillips  
01:14:03 Dir. Bucks  
01:14:15 Rep. Malek arrived.  
01:14:47 Vice Chairman Miller  
01:15:33 Rep. Phillips  
01:15:40 Dir. Bucks  
01:16:56 Rep. Williams  
01:17:26 Rep. Phillips left.  
01:17:34 Sen. Erickson  
01:18:28 Rep. Williams  
01:18:35 Sen. Erickson  
01:19:05 Rep. Williams  
01:19:10 Sen. Erickson  
01:19:15 Rep. Williams  
01:19:43 Rep. Hale left.  
01:19:50 Dir. Bucks  
01:22:01 Rep. Williams  
01:22:56 Rep. Hale arrived.  
01:24:08 Rep. Hoven arrived.  
01:24:11 Rep. Williams  
01:24:27 Rep. Phillips arrived.  
01:24:57 Dir. Bucks  
01:25:22 Rep. Barrett  
01:25:56 Dir. Bucks  
01:26:09 Rep. Barrett  
01:26:48 Dir. Bucks  
01:27:20 Rep. Flynn  
01:27:47 Rep. Barrett left.  
01:27:56 Dir. Bucks  
01:28:21 Rep. Flynn  
01:28:37 Dir. Bucks  
01:30:01 Rep. Barrett arrived.

**Closing by Sponsor:**

01:31:35 Sen. Erickson  
  
01:32:26 Rep. Flynn left.  
01:33:11 Rep. Lavin arrived.  
01:36:24 Rep. Phillips left.

**HEARING ON SB 429****Opening Statement by Sponsor:**

01:36:55 Sen. Art Wittich (R), SD 35, opened the hearing on SB 429, Revised uniform limited liability company act.  
  
01:39:05 Rep. Knudsen left.  
01:39:10 Vice Chairman Miller left.  
01:39:17 Rep. Fitzpatrick arrived.

01:39:29 Rep. McClafferty arrived.  
01:39:35 Vice Chairman Miller arrived.

**Proponents' Testimony:**

01:41:09 John Bennett, Attorney, Missoula  
01:42:00 Rep. Phillips arrived.  
01:42:51 Stuart Doggett, Montana Manufactured Housing and RV Association

**Opponents' Testimony:**

01:43:23 Gene Walborn, DOR  
01:43:34 Rep. Randall arrived.  
01:44:54 Vice Chairman Miller left.  
01:45:07 Rep. Flynn arrived.  
01:47:36 Rep. Knudsen arrived.  
01:53:02 Rep. Stahl left.  
01:53:39 Vice Chairman Miller arrived.

**Informational Testimony:** None**Questions from Committee Members and Responses:**

01:53:48 Rep. Williams  
01:54:47 Sen. Wittich  
01:55:39 Rep. Knudsen left.

**Closing by Sponsor:**

01:57:07 Sen. Wittich  
  
01:58:38 Rep. McNally left.

**EXECUTIVE ACTION ON SB 253**

01:59:41 **Motion:** Rep. Miller moved that **SB 253 BE CONCURRED IN.**

02:00:17 Rep. Knudsen and Rep. Stahl arrived.

02:00:44 **Motion:** Rep. Fitzpatrick moved that **SB 253 BE AMENDED.**

**EXHIBIT**(tah78a06)

**Discussion:**

02:01:33 Vice Chairman Miller  
02:01:47 Rep. O'Neil

02:02:20 **Vote:** Motion carried 16-2 by voice vote with Rep. O'Neil and Rep. Stahl voting no, present and voting.

02:02:37 **Motion:** Rep. Miller moved that **SB 253 BE CONCURRED IN AS AMENDED.**

02:03:25 **Motion:** Rep. Yates moved that **SB 253 BE AMENDED.**

**EXHIBIT**(tah78a07)

**Discussion:**

02:04:26 Rep. O'Neil

02:04:41 Rep. Yates

02:05:31 **Vote:** Motion carried 15-4 by voice vote with Rep. Fitzpatrick, Rep. O'Neil, Rep. Stahl and Rep. Taylor voting no, present and voting.

02:05:52 **Motion:** Rep. Miller moved that **SB 253 BE CONCURRED IN AS AMENDED.**

02:06:29 **Motion:** Rep. Flynn moved that **SB 253 BE AMENDED.**

**EXHIBIT**(tah78a08)

**Discussion:**

02:07:59 Vice Chairman Miller

02:08:22 **Vote:** Motion carried 14-5 by voice vote with Rep. Knudsen, Rep. Lavin, Rep. O'Neil, Rep. Stahl and Rep. Taylor voting no, present and voting.

02:08:43 **Motion:** Rep. Miller moved that **SB 253 BE CONCURRED IN AS AMENDED.**

**Discussion:**

02:08:54 Rep. Barrett

02:11:11 Rep. Hoven

02:12:45 Rep. Malek

02:14:32 Rep. Phillips

02:16:14 Rep. McNally

02:17:39 Vice Chairman Miller

02:18:29 Rep. Hoven

02:20:02 Rep. Phillips

02:20:54 Chairman Blasdel

02:21:25 **Vote:** Motion carried 11-8 by roll call vote with Rep. Barrett, Rep. Hoven, Rep. McClafferty, Rep. McNally, Rep. Phillips, Rep. Taylor, Rep. Williams and Rep. Yates voting no. Rep. Blasdel will carry the bill.

**ADJOURNMENT**

02:22:59      Adjournment: 10:24

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Lisa Adams, Secretary

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Additional Documents:

**EXHIBIT**([tah78aad.pdf](#))